

**ICANN
Transcription ICANN Johannesburg
IGO-INGO Curative Rights Protections PDP WG
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Petter Rindforth: So welcome, everybody, to the IGO INGO Access to Curative Rights Mechanism Policy Development Process Working Group. I'm Petter Rindforth, one of the cochairs, representing the Intellectual Property Constituency here. And I think it would be nice to start with just a quick round presentation so we know who we are and what kind of groups of interest you are representing. So please start over there.

Woman: (Unintelligible) from Interpol for the record.

Berry Cobb: Berry Cobb, assisting ICANN policy staff.

Ines Hfaiedh: Ines Hfaiedh, NCUC Executive Committee representative for Africa.

Man: (Unintelligible) representative for Internet Association of Kazakhstan, NCUC community.

Chris Disspain: Good morning. Chris Disspain, ICANN Board.

Markus Kummer: Markus Kummer, ICANN Board and my apologies, I'll have to run out at 11:10 to cochair another meeting.

Dennis Chang: Dennis Chang, ICANN Org.

Phil Corwin: Philip Corwin, cochair of the working group and GNSO councilor for the Business Constituency.

Mary Wong: Mary Wong ICANN Policy staff supporting this working group.

(William Stuckey): (William Stuckey) DNS Africa Study.

Carlos Gutiérrez: Carlos Gutiérrez, GNSO liaison to the GAC or the other way around, I'm not sure.

Mason Cole: Mason Cole with the Registry Stakeholder Group.

Heather Forrest: Heather Forrest, GNSO Council representative for the IPC.

Brian Scarpelli: Brian Scarpelli, IPC.

Woman:: (Unintelligible).

(Andy): (Andy) from Taiwan (unintelligible) affairs.

Nigel Hickson: Nigel Hickson, ICANN Organization.

(Angela): (Angela) from Singapore.

(Charles): (Charles), IMDA Singapore.

Man: (Unintelligible) Africa.

(Alisha Cabini): (Alisha Cabini) from the IPC.

(Maya Kahn): (Maya Kahn), IPC.

Terri Agnew: Terri Agnew, staff.

Marika Konings: Marika Konings, ICANN staff.

(John Rodriguez): (John Rodriguez), US Patent Trademark Office.

Susan Anthony: Susan Anthony, United States Patent and Trademark Office.

Brian Beckham: Brian Beckham, World Intellectual Property Organization.

(Tye Gray): (Tye Gray). World Intellectual Property Organization.

Chuck Gomes: Chuck Gomes, VeriSign.

Mary Wong: Thanks. And this is Mary from staff again. I'll just note that we do have a few participants in Adobe Connect including a few who are members of the working group. Thanks, Petter.

Petter Rindforth: Thanks. And those of you connecting to the Adobe Connect can also state your names.

George Kirikos: George Kirikos...

((Crosstalk))

George Kirikos: There's an echo. George Kirikos from Leap of Faith Financial Services. I'm a member of the working group.

Mary Wong: This is Mary from staff again, for those in Adobe Connect they can only speak if they're dialed into the phone bridge, I believe only George is dialed in at the moment.

Petter Rindforth: Thanks. So having said that also, I just want to remind you that please state your name before speaking for purpose of the transcript. So let's go directly to a little bit of the history, the Slide 3.

And as I think most of you here in the room that have been involved in this topic during the years in other working groups and in other discussions, you know, that this is definitely not a new topic. And we, as you can see from the timeline here, even if it states November 2013 as the first state, the issues as such has been discussed before that. But our current working group was initiated in June 2014.

And we realized that we needed also an external expert opinion on the specific IGO immunity issue that we got during 2016. And we also had a review from the IGO Small Group proposal. And in the beginning of this year we published the initial report for public comments. And we got 46 comments, one from GAC, 21 from representatives of IGOs, and four from GNSO stakeholder groups and constituencies.

And we have carefully considered all the inputs and comments and trying to find a good solution on this topic. So we made some modifications to the initial recommendation; we'll propose and further discuss today. And we also focused on discussion on arbitration and of course we also looked at separate dispute process as this is one thing that had been noted from number of the IGO comments.

What we hope to manage is to get out our final report at ICANN 60 so that we can finally get the solution on this topic by end of this year. Yes.

Phil Corwin: And Phil Corwin for the record. Thank you, Petter. And just to chime in a bit, as anyone can see from the timeline, we've been at this within this working group on a relatively narrow topic. This month is our third anniversary – third year we're into it. We're starting the fourth year. A year of that time was spent securing funding, conducting a search and then obtaining a legal opinion from an expert regarding the generally recognized scope of IGO judicial immunity. We felt it critically important to have that understanding before proceeding further.

And as the last note on the timeline notes, while it's the cochairs' hope that we can deliver a final report prior to the final ICANN meeting this year in Abu Dhabi, we are aware and have been kept – are carefully monitoring the work of the informal Board GAC dialogue on IGO issues. There have been some discussion on that email list of seeking to obtain the opinion of yet another legal expert on whether there are other bases for protections of IGO's names and acronyms other than trademark law.

And we've indicated that if that group decides to engage such an expert we would suspend delivery of our final report in order to review the results of any such inquiry. But as of now no such decision that been made to engage another legal expert. And we're going to keep careful watch on that process. Thank you.

Petter Rindforth: Thanks, Phil. Yes, the next slide shows again a little bit of our working group activity. As I already stated, that 46 comments were received. And as you can see even if we had a lot of comments from IGOs. We also had comments from groups and individuals representing domain holders and the commercial part of domain name registrations.

And of course these two groups have different inputs when it comes to how to deal with this specific topic and IGO complaints in domain disputes. So what we have done in our report and in our continuous work is to find a way that can be acceptable for all groups of interest and as well as be continuous with ICANN regulations.

So let's go to the next slide. When it comes to our recommendation Number 1, no change recommended. The working group recommends that no changes to the UDRP and URS and be made and no specific new process be created for INGOs, including the Red Cross Movement and the International Olympic Committee.

And the conclusion we made is actually based on both comments we have got from INGOs and from attorneys that are representing INGOs in domain disputes. They actually saw no problem in using the current system. We also went through a number of specifically UDRP cases where INGOs have been involved. And our conclusion on that early stage was that the system actually works for INGOs.

So to the extent that a policy guidance document referred to elsewhere in the set of recommendation, the working group recommends that this clarification as it was INGOs be included in that document. So as said, no change or in respect of INGOs.

Next slide. Well, the originally recommendation Number 2 was for INGOs in order to demonstrate standing to file a complaint under the UDRP and URS it should be sufficient for an IGO as an alternative and separately from an IGO holding trademark rights in its name and/or acronym to demonstrate that they have complied with the requisite communication and notification procedure in accordance with Article 6ter of the Paris Convention for the protection of industrial property.

As said, we have deeply considered all comments we have received from INGO representatives. And we have made – we will recommend the change here that IGOs may rely on their having complied with the requisite communication and notification procedure under Article 6ter that they have unregistered rights to their name or acronym. And this will be additional to an IGO being able to demonstrate that they have a registered trademark in their name or acronym.

So as we will present later on here, we see that the IGO protection can be seen as – well of course, in some location it is in fact a registered trademark but otherwise it can be seen as an unregistered trademark and one evidence of – or notice of that fact could be that it is registered under Article 6ter of the Paris Convention. Yes.

Phil Corwin: Phil Corwin for the record. Just to add to what Petter said to explain a bit more the reason for this change. We had a variety of comments criticizing the fact that we originally proposed that an IGOs notification of WIPO and assertion of Article 6ter protection of their – for their names and acronyms in national trademark law systems would be an independent basis for standing. We heard from the IPC that they were concerned that something other than trademark rights would be a basis for using the UDRP and URS. We heard from the US government that some who felt that some – which felt that some IGOs had provided such notification were not in fact authentic IGOs so we took all that into consideration.

The import should be the same, the demonstration of notification of WIPO in almost any situation should be sufficient to demonstrate common law trademark rights and establish standing without a registered trademark and yet it satisfies the concerns that we heard from some of the commenters. Thank you.

Petter Rindforth: Thanks, Phil. Petter here. And then the preliminary recommendation Number 3, which is recommended deletion that the working group does not

recommend that any specific changes be made to the substantive grounds under the UDRP or URS upon which a complainant may file and succeed in a claim against the respondent as the working group believes that bad faith registration and use concept – covers a very broad range of offensive activities including those covered by the scope of Article 6ter protections.

And then we, you know, the original recommendation has said that the panelists for the UDRP and URS should take into account the limitation (unintelligible) Article 6ter of the Paris Convention and in determining whether a registrant against – from an IGO has filed a complaint registered and used the domain name in bad faith.

Yes.

Heather Forrest: Thanks, Petter. Heather Forrest. I just wondered, we're moving through the recommendations and maybe I missed the explanation, should comments be interjected at each slide here or are we going to go through all of them and then do comments at the end?

Petter Rindforth: Well, you're free to open up and make – at least a short comment and then we can have a discussion after the presentation. So please go ahead.

Heather Forrest: Thanks, Petter. Heather again. I think since you're already on Recommendation 3, maybe we just carry through them all, but it might just mean that we page back to slides when the time comes. Thanks.

Petter Rindforth: Yes. Perfect. Okay. Yes.

((Crosstalk))

Phil Corwin: Well Phil Corwin. Number 1, yes, someone really has an important comment while we're having a slide, feel free to interject. To just elaborate a bit more, the reason that we are veering toward deletion of this recommendation, this

recommendation was tied to Article 6ter WIPO notification being an independent basis for standing. And because of that directing the UDRP panelist to look at the language of 6ter, which is similar to but somewhat different from the bad faith registration and use standard of the UDRP.

Now that we're no longer going to have that notification be an independent basis for standing but rather evidence of common law trademark rights, there's no longer a need for this and that satisfies concerns from the IPC and others about changing elements of the UDRP policy.

But the bottom line should be the same, if an IGO perceives that a domain whose name is identical or confusingly similar to its name or acronym is engaged in activities which - in which it's essentially pretending to be the IGO, for various nefarious purposes, that would readily meet the bad faith and registration use standard as established under UDRP decisions over the past two decades. Thank you.

Petter Rindforth: Thanks. Petter here. Now we come to recommendation Number 4, which is the one that we have actually received the majority of comments around. And as you can see, it's still under discussion and we will make a few notes and suggestions further today here. But we hope to be able to find a conclusion that can be accepted here.

So basically there's no change recommended to the initial general recommendation but more of further clarifications. As you can see on the issue of jurisdictional immunity, which IGOs may claim successfully in certain circumstances, we are now talking about IGOs and not INGOs, that we have clear that they can use the current system.

Our recommendation is that no change be made to the mutual jurisdiction clause of the UDRP and URS as ICANN's – or in addition to and not a substitute for existing statutory rights and ICANN has no power to distinguish registrants right to seek judicial redress.

And we have to have that in mind each party have the possibility to raise the case in a court. The policy guidance document to include a section that outlines the various procedure filing options available to IGOs. We have the ability to elect, to have a complaint filed under the UDRP and/or URS on their behalf by an assignee agent or licensee. We have noted a lot of negative comments on that from IGOs. So this we may have to further discuss.

And that claims of jurisdictional immunity made by an IGO in respect of a particular jurisdiction will fall to be determined by the applicable laws of that jurisdiction.

As we are talking about recommendation Number 4, I proceed directly to the next slide where we originally put out two options for public comment where a losing registrant appeals to a court of mutual jurisdiction and an IGO succeeds in asserting its claim of jurisdiction immunity in a court of mutual jurisdiction. We recommend that either Option 1, that the decision rendered against the registrant in the predecessor UDRP or URS shall be vitiated or Option 2, that the decision rendered against the registrant in the predecessor UDRP or URS may be brought before an arbitration entity for de novo review and determination.

And we have looked up the benefits and disadvantages of arbitration under Option 2. And as we state by now, we will recommend Option 2 but with further clarification on what that will mean when it comes to the procedural aspects.

And then finally, recommendation Number 5 in respect of GAC advice concerning access to curative rights process for IGOs, the working group recommends that ICANN investigate the possibility and providing IGOs and INGOs with access to the UDRP and URS at no or nominal cost in accordance with the GAC advice on the subject. So that we leave to ICANN Board to further decide.

Phil Corwin: Phil Corwin. Mary, can we go back to Slide 4, I'd like to just discuss this a bit more to provide some additional background to our participants in today's meeting.

As Petter's described, the consensus within the working group was that the ICANN should not decide up front in regard to any possible CRP that might be brought by an IGO that it would establish immunity and that domain registrants should not have access to their rights under applicable national law based on the mutual jurisdiction clause that the working group did not think that was a proper role for ICANN and that's the question whether ICANN could effectively do that since there's no way to protect – prevent a domain registrant upon the filing of a case by an IGO to go straight to court and seek an injunction and protection under that national law with no way to predict how the court would turn out.

So basically, the working group's consensus was that the immunity issue – the validity of it should be decided by a judge and that was based in large part on our legal expert who said an IGO might well win its immunity argument but it wouldn't be a sure thing. It would depend on the court and its analytical approach and the facts of the case. And there was also language in our legal expert's report that said it would not be unreasonable to require an IGO to waive its immunity for access to this faster and less expensive process and we haven't gone that far and required a waiver of immunity. We've left it to the judge.

Now Option 1 since we issued our preliminary report, one, I've explored this within Council and of course anything we report in the end has to go to GNSO Council for review and approval.

And it's become clear to me at least based on individual conversations as well as discussions yesterday in Council, that Option 1, that having a situation where an IGO went before a judge successfully argued that it did have

immunity and the judge agreeing and dismissing the case that then allowing the domain, which had been found by the UDRP or URS panelists be involved in cyber squatting to continue operating with no further recourse provided by ICANN for the IGO injured by that cyber squatting if in fact that was taking place would have a very difficult if not impossible road ahead in Council, that it would probably not be approved.

We've also learned since then we've had opinions from many IP lawyers and UDRP panelists and practitioners for both complainants and registrants, that Option 1 would probably be better than the current situation, that if today an IGO brought a UDRP, and we have found examples of IGOs bringing UDRPs, won the UDRP the registrant appealed under the mutual jurisdiction clause that if the IGO won its immunity argument, the UDRP decision would probably be reinstated and the domain transferred or extinguished, which would be another reason why this Option 1 would face a very difficult reception up the line.

So looking at Option 2, what we're – the general concept as best as we can balance the rights of both parties in this hypothetical situation, is that Option 2 would be where a IGO went before a judge and successfully asserted immunity as a defense to further proceedings and the judge agreed under his analysis of national law, his or her analysis. The entire action would be moved to an arbitration forum to be decided under the national law on which the appeal – the de novo appeal by the registrant had been brought.

Now as George Kirikos has put in the chat room, what he's called Option 3, and this is something we can look at, and it might be attractive to both sides, we haven't really discussed it yet, there might be a variation of that where the arbitration would be based on the national law but the only issue would be whether or not the domain was involved in some type of bad acts and should be transferred or extinguished with other elements that might be within the national law such as monetary damage, not within the scope of the arbitration. And that is what we're looking at.

I see George says, "Court case but..." well, we can get into discussion George, but we're looking at with Option 2 is the situation where the judge has agreed that the IGO should not be before the judge because it has successfully asserted jurisdictional immunity. So I just wanted to provide those comments for the understanding of our audience of our reasoning behind this. And I think the Council Chair has a comment or – no.

James Bladel: Thanks, Phil. And I just have a comment just as a rookie, you know, coming at some of this stuff, not in any other capacity is why wouldn't Option 2 – why wouldn't that be the end of the line? You know, you have an administrative proceeding and a URS or UDRP, a judge has upheld this claim of immunity, why isn't that the – why does that then kick over into an option for arbitration? It seems pretty clear to me at least in that point that that should be the end of the story. Am I missing – I'm probably missing a lot so I'm asking can you help me fill in some of the blanks there?

Phil Corwin: Well, James, I might ask if that was the end of the story what would happen to the domain?

James Bladel: Well, if the UDRP prevailed, then it would be transferred to the complainant and if the URS prevailed then it would be suspended until expiry.

Phil Corwin: Well we can certainly discuss that within the working group but I think the working group has been looking for the domain registrant to have some second opinion on the situation.

James Bladel: Okay.

Phil Corwin: That goes beyond the mere consideration of immunity.

James Bladel: Okay. I guess I presumed that was the shot that was taken at the, you know, at the court of mutual jurisdiction that that was what – but again, I'm missing a

lot of context here. I'm just reading the slides as we go so if I'm muddying the waters please...

Phil Corwin: No, there's no muddying of the waters here.

((Crosstalk))

Phil Corwin: Everything's still open for discussion.

Petter Rindforth: Heather, please.

Heather Forrest: Thanks, Petter. Thanks, Phil. Heather Forrest for the transcript. So forgive me, I know I have a list of four questions because I wasn't sure when to ask them. My first question I think has to do with I recall I think it's Recommendation 2, Phil made some high level remarks in relation to Article 6ter. And that's it, exactly and the recommended change. So my question is this, how did the group take on board – specifically how did the group take on Board comments that 6ter does not create positive rights?

And a follow up question to that is, to the extent that we accept that 6ter is a valid basis for rights, and I don't think that that's a fully agreed position, it seems to me that it's only one of the very many ways or vehicles, if you like, through which rights could be demonstrated. So why specifically call out 6ter here? If you could explain those two points that would be very helpful. And then I'm happy to drop out of the queue to ask my other two questions if you'd like.

Petter Rindforth: Petter here. I'll try to reply to your question there. Well, first of all, Article 6ter is the way to identify IGO registered IGO and as we have been very clear from the start and in our initial report, of course we are well aware about that, it's not trademark rights. Article 6ter is a way to identify an IGO and thereby also referring to that in a court or a registration have the possibility to stop others use or registration.

But – and we have also – or what we will do in our final report is to not focus so much on Article 6ter. I take your words in your question and it's in fact definitely what we have decided to rephrase that Article 6ter could be one of the legal possibilities to identify an IGO's rights. So it's – what's good with that is that it is in fact an international system and it is easy to refer to and to show.

But there is of course also other possible ways to identify an IGO. And if we talk about IGO names protections as a trademark, it's the same with unregistered trademarks. I mean, if you can't show in a UDRP dispute a certificate or registration you claim that this is a well known trademark, well there is no specific list of – or limited list of documents that you can show and nothing else to prove that it's a well known trademark that has been used.

So we take – we'll use Article 6ter more as one possibility, one example of documentation and identification when it comes to IGO protection. Yes.

Phil Corwin: And to further elaborate, the working group has developed a keen understanding that while Article 6ter gives trademark system related protections, it does not establishes independent trademark rights. We took the comments of the IPC very seriously. And the reason it's something about 6ter is still in there is because there was something in the initial report and rather than just stripping out the whole section without explanation we want to explain why we're going to retreat from that original recommendation.

But by no means, is it the working group's position that Article 6ter notification will be the only way that an IGO could establish common law trademark rights in its names and acronyms, we're just explaining the reason for dialing back the original recommendation.

Petter Rindforth: Before you proceed, may I just add also that we have of course also listened to comments from WIPO when it comes to the risk of adding new types of

name protection to the current dispute resolution policies. And we see still the URS and the UDRP as trademark related dispute procedures and that's also why we are trying to identify protected IGOs as they are used as trademarks, well known as trademarks and different ways to identify those trademarks.

Heather Forrest: Thanks, Petter. Heather Forrest. I'd like to follow up, and Phil as well, thank you. I think you've moved away from Petter's initial reply which had to do with identifying IGOs. And simply identifying IGOs is not what you're doing here, you're granting standing. This isn't just about identification. And standing isn't granted just because a party is identifiable. So I'm still very uncomfortable with this idea of relying on 6ter.

And, Phil, I take your point, that actually before I leave that point I want to say this, Petter, you also use the phrase "well known mark" how do we know that it's a well known mark? And that might have just been a slip of the tongue, but the thing is, there is no prima facie evidence in most jurisdictions of what is a well known mark versus what is a mark; that's one of the great mysteries that we have in international law is we have these high level guidelines from WIPO about what countries can do to determine whether something is well know. So I think that's probably not the best example to use in terms of prima facie evidence. But I certainly take the point, it's a discussion that we've had in the WIPO – in the UDRP context for ages.

Phil, to your point, I understand what you're saying here about not wanting necessarily to redact entire portions, but I think it would be very helpful in the final report to reflect on this and maybe put in an explanatory remark, let's say new text but with an explanatory remark to explain how you got there off of the preliminary recommendation that went to comment. I'm still not – let's say, I haven't heard a compelling argument for leaving 6ter in when it's really only one of very many vehicles that could be used here and I'm afraid that could be potentially quite limiting and/or misunderstood. So those are my two comments on that. Thank you.

Phil Corwin: And, Phil, just in response. We appreciate your remarks, Heather. And we're going to certainly take them under advisement. Again, just to be clear, we haven't even begun drafting the final report yet, which we explain changes from the initial report, all we have right now are slides which are very shorthand. But to be clear, the ultimate decision on whether standing based on unregistered marks has been established is going to be at the discretion of the panelist; there's nothing in our report which is going to say that the fact that notification will be sent to WIPO is prima facie evidence of common law trademark rights, everything is going to be evaluated by the panelist just as it is today.

Petter Rindforth: Thanks. George.

George Kirikos: George Kirikos for the transcript. Yes, I want to speak to the point of the gentleman who asked a question before Heather, going back to the policy recommendation Number 4 as to why we need option Number 1 and option Number 2 and that's the reason is is that the UDRP panelists often make the wrong decision and so that's why we need somebody else to decide the case.

And while the chairs might have said that Option 2 is what they're leaning towards, not necessarily the view of the rest of the working group, it hasn't been decided yet. One of the things to kind of look at is to pretend that isn't about domain names, pretend that this is about trademarks that some IGO wants to challenge a decision of the, you know, US Patent and Trademark Office regarding an issued trademark, let's say, for Eco, there's about 50 or 60 registered US trademarks for Eco. And the IGO with the acronym of Eco might want to challenge one of those.

So let's say they challenged it before the Trademark Appeals Board or whatever, but say then – and the Appeals Board recommended that it be canceled. The trademark registrant might want to appeal that decision in court and so the IGO might assert immunity in court and so the idea is what

would happen. And so to say that, you know, the trademark owner in the United States or the one who's granted the trademark and it's now under appeal would give up their right to court action, I think would be appalling to any in the IP Constituency.

They would want to use the full extent of the national laws of their jurisdiction and so those who are in favor of option Number 1 regarding vitiating the decision of the UDRP panel, are in the exact same position as a, you know, trademark owner or some other intellectual property owner in the sense that they want to utilize all the due process protections available to them in their national courts and so it's not unreasonable to set aside the finding of the UDRP panel completely and let it be decided entirely in the courts because we know from experience that the decisions in the UDRP or URS are overturned in real courts.

And the idea that we want to create an Option 2 which attempts to, you know, make a cheap facsimile of the courts, but doesn't offer all the same due process concerns, you know, should be, you know, should raise alarm bells because we know that, you know, trying to, you know, duplicate but not actually give the real thing can create dangers for the domain owner or whoever, you know, wants the full extent of due protection.

And I'll just give two examples where option Number 2 as described in the upcoming slide would actually fail a domain owner. There's a case, Tucows versus (Lohas Renner) in the Interior Court of Appeal which showed that – and Tucows won that case and I'll post the link to the chat room for anybody who wants it and it'll be on the transcript I guess.

There the initial court made a certain determination and if it was under the Option 2 scenario that the chairs have been promoting, that would have been the end of the story. But that decision was then overturned in the Interior Court of Appeal so we would have had a different outcome had the full extent of national law – of legal protections been followed. And that isn't the only

example, there's another example concerning MoobiTalk, M-O-O-B-I-T-A-L-K for the record or the transcript – which went through a dispute in the French court system. And it went through multiple levels of appeal too and the domain name owner – I think won in the end.

And so those who are quick to say that, you know, we should go to binding arbitration I think are making a faulty argument that kind of denigrates the rights of domain name owners. Put yourself in the shoes of an IGO wanting to challenge a trademark or a patent or a copyright and the copyright owner or the trademark owner or any other owner, you know, if it's a piece of land, they would want and expect the full protection of their national courts.

And so option Number 1 which basically says we're going to vitiate the UDRP decision and require that the IGO if they want to challenge the mark go through the court system is the – I believe the mechanism that most respects national law because the UDRP was not designed to overturn national law, it was supposed to be a complement to the law which at the price of utilizing that procedure required people to recognize that court action was entirely valid and to waive, you know, and to, you know, specifically waive any immunity claim or, you know, specify that they're subject to the jurisdiction of the courts.

And so the IGOs are simply trying to find a way around that to compel something where they're the ones initiating the dispute and they want to compel the forum. So there's a big issue of forum shopping that underlies this. And we've attempted repeatedly to try to say, you know, what's your real concern about this and they haven't really made a valid argument as to, you know, what their real concern is.

And Paul Keating has even proposed option Number 3 whereby a registrant can say that any court action explicitly will only involve the outcome of the domain name ownership and not anything else, not, you know, some

employment dispute or some issue of money damages. And, you know, that's another way to ameliorate the situation.

Lastly, I just wanted to point out that IGOs have other options they can taken down fraud sites using, you know, complaints to hosting companies, they can involve law enforcement, they can involve national authorities, you know, we talked about the licensee and assignee options to bring a dispute. The other option is that the national authorities themselves, you know, the law enforcement or attorney general or whoever, can be the one to initiate a dispute or to file a court action in a case of a fraud or fraud site that preys on consumers. Thank you.

Petter Rindforth: Thank you, George. Phil.

Phil Corwin: Yes, I wanted to respond briefly. But first I want to put this – while this choice between Option 1 and Option 2 whatever the details has become the flashpoint for this working group. I really need to put it in context. Based on – now it's hard to get exact statistics on how many UDRP decisions go to judicial appeal, but it's a very small percentage. It may well be 1% or less.

We're talking about a choice between Option 1 and Option 2 which will not to say it's not important in the rare case where the domain registrant is going to make the decision to file judicial appeal, but in 99% plus of decisions made by a panelist in an IGO action, that's going to be the end of the line. It's going to be the rare case where the domain registrant feels that the decision is so wrong and their chances of success on appeal are sufficiently good and the domain is a sufficient value or their reputation is of sufficient need of protection that they're going to take the time and the considerable expense to pursue a judicial appeal.

So we're talking about something that's going to apply probably to less than 1% of all panel decisions in cases brought by IGOs. I have two further – one comment and one question for George.

George, on Option 3, which as you present it, would be that there'd be a judicial appeal but the judge would be limited to applying only certain parts of the national law but not other parts of the parts of the national law, my personal view – we haven't had a great deal of discussion within the working group, is that ICANN has no more authority to tell a judge what parts of a national law the judge can apply than it has authority to tell a domain registrant that is has no right to file an appeal under national law.

I just don't see ICANN having the authority. So far as Option 1, we have heard from a great many IP lawyers and UDRP panelists and practitioners, including practitioners who represent domain registrants quite successfully in UDRP cases and judicial appeals that under the current system, if an IGO brought a case today, won the UDRP, domain registrant appealed, an IGO went before the judge and successfully asserted immunity, which is a situation that occurred today regardless of what this working group recommends, that the UDRP decision would be reinstated.

So that Option 1 actually is a change from current law which not only would leave the IGO without any further ICANN-provided means of redress, but would be more favorable than current treatment. And I'm wondering if you disagree with the opinion we've gotten from so many IP lawyers and UDRP practitioners, or if you think they're right, what would justify changing the law to be even more favorable to registrants than the situation today?

Because this working group is going to have to explain its final report to GNSO Council and get it through Council by a majority vote minimum of both houses or else all our work will be for naught. Thank you.

George Kirikos: Okay. George Kirikos again for the transcript. There's a...

((Crosstalk))

Petter Rindforth: George, please, sorry. Petter here. We have a couple of participants that have been waiting now...

((Crosstalk))

Petter Rindforth: ...30 minutes as...

((Crosstalk))

George Kirikos: I've definitely spoken less than a lot of the other people, including yourselves.

Petter Rindforth: Yes, brief.

George Kirikos: Okay, first of all, in terms of the fraction cases that are appealed, those are the cases that are involving the most valuable domain names that go to the court system. Think of domain names like Barcelona.com or LH.com, which is a two-letter dotCom which is worth, you know, at a minimum, you know, of \$1 million or various three letter dotComs which are worth six figures.

Secondly, with regards to the Option Number 3, the waiver aspect, right now the UDRP, the mutual jurisdiction clause is seen as a complete waiver of immunity, although a court may decide differently. The idea behind Paul Keating's suggestion of Option Number 3, which was not my suggestion, but I would support it as a compromise, is that the wording of the UDRP would be reworked so that instead of explicitly being a full waiver, the IGOs would only be doing a partial waiver.

They would only waive – they would only waive immunity with respect to any dispute involving the domain name but they'd still be asserting their full immunity over any other peripheral issue like an employment dispute or issues of damages or things like that. So option Number 3 could still be reworked and so I disagree with Phil's other comment.

And with respect to his third point about option Number 1, option Number 1 is just clarifying things in terms of the spirit of the UDRP whereas – whereby folks expected that the UDRP would always be available to be challenged in the courts. And IGOs are trying to raise this issue of well perhaps not, maybe, you know, we'd be able to game the system whereby we can file a UDRP, you know, initiate the dispute and then decide later in court, no, you know, we're going to, you know, we can win in court and have an asymmetric outcome whereby we win court but then we're not willing to allow the decision to be appealed. So option Number 1 simply, you know, fixes that gaming aspect whereby there is a forum shopping issue where they could, you know, try to...

((Crosstalk))

Phil Corwin: Okay, George, we're going to have to...

((Crosstalk))

Phil Corwin: ...we've got 30 minutes left so we're going to have to go other folks here. Thank you, George. I think...

Petter Rindforth: Brian.

Phil Corwin: ...Brian was next.

Brian Beckham: Thank you. Brian Beckham for the record. I had just a few comments, I'll try to be brief. I think I had a similar question as James had with respect to the recommendations about the different kind of appeals options which was it seemed to me, if I understand this correctly, and it could be that I'm not seeing the path that the working group is proposing to go down, but that the option of going to a court to have a court look at the immunity issue, then going to arbitration seems to build in an extra unnecessary step.

So if at the end of the day you'll have a de novo appeal through an ADR procedure, maybe it's simpler just to go straight to that option and cut out the court looking at the immunity issue for whatever that's worth.

And then just briefly on the comment that Mr. Kirikos made on UDRP panels often making the wrong decision, I actually agree with a lot of what Phil Corwin said about, you know, at WIPO we've heard almost 40,000 UDRP cases over the past almost 20 years. Very few of those are appealed to court and I think that speaks volumes for the fact that registrants believe that the decisions are correctly decided; if they feel they're incorrectly decided, they're free to go to court.

Whether that's under the mutual jurisdiction clause provided for under the UDRP or outside of that cause. And that brings me to another point I wanted to make which is whether there's an arbitration appeal built into the system or not, doesn't foreclose party's options to go to court at a separate moment in time. So I think it's worth bearing in mind that this is just one path that parties can go down. There's a UDRP like mechanism for adjudicating a claim if one of the parties is unhappy with that they can go to a further arbitral appeal body to have that decided.

But nothing in that process prevents either of the parties from going to court at a separate time outside of the context of this dispute resolution mechanism. And then finally, to the question that seems to be kind of lingering behind a lot of this in terms of arbitration generally, arbitration is a widely accepted commercial practice. The comments from the United Nations to the preliminary report of this working group actually noted that in Go Daddy's terms of service, in Article 25 I believe it was, they require adjudication of disputes between registrants and Go Daddy through arbitration.

A lot of commercial terms of service, whether you're buying a song on iTunes or conducting all sorts of transactions nowadays, this is a widely accepted

practice and so this whole notion that this is somehow curtailing registrant's rights or shutting the door on party's options to adjudicate their disputes I think should be dispensed with. Thank you.

Phil Corwin: Yes, a quick response, I'm going to respond. Thank you, Brian, for your input. We always take WIPO's input very seriously. Just to clarify what my personal view is on the percentage of UDRP cases directly decided, I do believe, based on my own review of many, many UDRP decisions, that a substantial majority are correctly decided. I don't – I also don't believe that those cases that are judicially appealed is the full limit extent of cases that may have been incorrectly decided because obviously – you know, in the United States the cost of attaining attorney to file a trademark appeal generally runs between \$25,000 to \$50,000 up front.

So a registrant will have a very different economic calculation where they – if they believe a UDRP case was wrongly decided in regard to a domain that's worth \$10 on the secondary market versus one that's worth \$1 million on the secondary market. So economic considerations come into play. So again, to clarify, it's a rare circumstance, the number of incorrectly decided cases is probably larger than the number that are judicially appealed. But the substantial majority of decisions appear to be correct. Thank you. That's my personal view on UDRP.

Petter Rindforth: And now over to Heather. Oh, sorry. (John).

(John Rodriguez): Thank you very much. This is (John Rodriguez) with the US Patent and Trademark Office. If we could go back to the slide containing Recommendation 2. Yes, thank you so much. I do have a point of clarification or actually a question and then a comment. The way we currently are reading the suggested recommended change, those two bottom bullet points are to be read in combination, is that correct? With the first bullet point saying that the completion of the communication notification under Article 6ter would demonstrate unregistered rights and then also an IGO would have to

demonstrate that they have a registered trademark. So are they meant to be either or, or an and? Either or.

Petter Rindforth: Either or.

(John Rodriguez): Okay. That was a point of confusion. Thank you for that clarification.

Phil Corwin: And to further clarify, and again, this is all shorthand, we're going to have much more detail on the final report.

(John Rodriguez): Sure.

Phil Corwin: It's going to be the panelist's call. We're not saying that the only way an IGO can demonstrate unregistered trademark rights or common law trademark rights is by a WIPO notification under 6ter. We're also not saying that for every IGO that will be conclusive proof, it's going to be up to the panelists' discretion, just as it is today.

(John Rodriguez): Thank you for that clarification. Just for the purpose of transparency, we were one of the parties that did submit – that did make a submission expressing concern with the initial preliminary report concluding that Article 6ter could be used as a basis for establishing standing. And based on our reading of the current recommended change, I think we still have those concerns and reservations as well.

The way we read the current language it's still concluding that just by mere communication and notification – the completion of that communication and notification of that 6ter notice demonstrates unregistered marks or some type of common law right. And from our perspective, that does appear to be creating an assumption, an assumption that does not exist and therefore is creating a right just for mere purposes of creating standing.

As we noted in our submission, we indicated that a party would submit their 6ter notification to WIPO but just that mere notification itself does not establish any legal effect in reference to that acronym or name so there is no legal right established, or acknowledged even just by that mere notification or completion of – or complying with that communication and notification. So again, and then that notification is then disseminated to all of the Paris member countries to make their own determinations as to whether or not they will accept it.

And so we do have some remaining concerns with the proposed recommended change. And based on that I did have a last point, really a question procedure-wise, will there be an opportunity, again, to make another submission to these recommended changes or how would that process work? Thank you.

Mary Wong: This is Mary Wong from ICANN staff. So it's not mandatory for a working group to publish a final report. But they are able to should the circumstances be such that it is deemed advisable to have that option.

Phil Corwin: And whether we will solicit comments on a draft final report before final publication and reporting to the Council has not yet been discussed or decided within the working group but we are aware of the political sensitivity of this issue, and that will be taken into account when we discuss it.

Brian Beckham: Thank you. Brian Beckham for the record. I wanted to just briefly follow up on (John)'s intervention and recall that for example, an IGO that would be potentially invoking this mechanism is the UNHCR. So when they go and undertake humanitarian efforts for asylum seekers, for example, they're not undertaking commercial activities that we think of which ground common law or unregistered trademark rights. So this is one of the reasons (John) has raised some important considerations regarding the Paris Convention 6ter for a basis for standing here.

In terms of the working group's alternative basis that an IGO would prove common law standing, one thing to think about is that that requires normally speaking in trademark terms, commercial activity. It's using a mark in commerce that gives it consumer recognition that founds common law trademark rights. And so for IGOs that might not be undertaking commercial activities, one of the reasons why the GAC proposed not relying on 6ter, not relying on trademark rights, was that there was a public policy basis for recognizing the identifiers of IGOs outside of trademark law. Thank you.

Petter Rindforth: Thanks. And as I said, we had to get your specific comments on these topics and we are, it is not clear yet if we will publish something in between for further comments. But at least we will make some changes on the preliminary recommendation based on the comments. We'll see what happen there.

I turn over to Heather finally.

Heather Forrest: Thank you very much. Heather Forrest. Just to follow up on Brian's intervention just then, I did think that it was a positive step for the reference here in the language to veto unregistered rights rather than common law rights.

So I had two other questions on my list. I suppose one is perhaps best for the end of our discussion just to put a marker down. Phil, it might have been you said in relation to Recommendation 4 and the questions around jurisdiction and indeed in following up to another one of my points, you said we're not at the position of a final report yet; we have work to do. Some discussion on timeline I think would be helpful.

And conjoined with the question of timeline, and I realize I'm raising some sensitive questions here, this is me asking a question as Council Vice Chair and us, you know, responsible for managing that policy development process and particularly our engagement with the Board and the GAC.

The presentation today didn't really touch on any of the issues necessarily – specific issues, and there are reasons for that, I understand, because of the charter. That underline the proposed small – sorry, the proposed facilitated discussion context request for additional legal advice. Yes? And we as Council to the extent that your group expresses concern, which it has on that list, that additional legal advice is not called for – is not helpful. We have to be very prepared to defend that.

Phil Corwin: Heather, could you restate that? Because I'm not sure that I said what you think I said so, what I did say – I said two things. One, this working group suspended its work for a year to find and secure expert legal advice on the general question of the recognized scope of IGO judicial immunity. And then the other thing I stated was that we're aware that there's a separate discussion group with former Board member Bruce Tonkin is facilitating, is leading, a discussion group between the GAC and the Board on IGO issues including the issues before this working group in which Petter and I have had an opportunity to interact with that group both online and in person.

And there has been discussion within that group of whether it would seek separate legal advice on a different question than the one we sought advice on. And we've already told that group that they haven't decided to do that. If they do it, we will suspend delivery of our final report to await receipt of that other advice and take it into consideration.

But if they don't take that course and don't engage another expert on a separate legal question, there'd be no reason to delay for that – waiting for a report which will never come. So if there was any confusion that's what I said earlier.

Heather Forrest: Heather Forrest. Phil, thanks very much.

Phil Corwin: And it's completely within the discretion of that discussion group whether they're going to seek expert legal advice on a different question. We have not

opined on whether they should or should not, we've simply said if you do, we'll delay delivery of our final report to take that advice into account.

Heather Forrest: Thank you for the clarification, Phil. I had misunderstood and thought that incorrectly thought that this group thought that legal – additional legal advice was not a sensible option. I think it's important then given that the questions that it has been proposed, and it's not necessarily the group – the facilitated discussion it really was an idea of Bruce's to seek that additional legal advice. I think it's very important that we make it clear that that's on an entirely separate question from the one that was referred outside in this working group so that needs to be 100% clear. Thank you.

Mary Wong: Mary Wong from ICANN staff again. To – I suppose sort of explain the process a little bit that Heather and Phil are talking about and Heather, you're absolutely right that the discussion that's going on in that other group is indeed about a possible opinion on a different legal field altogether, not on the one that this working group sought expert advice on.

Secondly, in terms of should that group decide that is a good idea to go forward with the legal opinion, the staff understanding is that they would make that recommendation either to the ICANN Board or perhaps to the GNSO through this working group since that group is not a formally chartered community group.

Petter Rindforth: So can we go back to the last slide I think we were on? Yes, we have discussed that. I'm not sure, we have discussed within our working group some possible – by the elements of an Option 2 arbitration. And I don't know, Phil, if we could – just that this time? Are we ready for that?

Phil Corwin: Yes, let me say – I suppose in the – we've got 12 minutes left in this session...

Petter Rindforth: Yes.

Phil Corwin: ...so clearly the cochairs have prepared a strawman which is simply to get a discussion going of the important – if we were going to go with an Option 2, with upon successful assertion of immunity before a judge by an IGO, moving the appeal to an arbitration forum, what this separate element – addressing all the key separate elements.

And the initial list for things that should be addressed came from a member of our working group who's not – I don't believe he's online today, let me check. Yes, it came from Paul Keating who's a practitioner based in Barcelona Spain. He laid out an initial list of elements. I added I believe to that list. I don't think it's worth getting into a deep substantive discussion today.

But, you know, it wouldn't be responsible to go for an Option 2 arbitration unless we really fleshed out how the different elements would work. And there's not enough time left today to really get into a full discussion of that. But as you can see on the screen, the questions about that arbitration procedure, what substantive law or rules would apply to it, to the substance of the argument, what procedural rules, the venue, the language the proceeding would be conducted in. And can we scroll down, staff, I don't think I have independent control here.

Yes, the ability for discovery, interim remedy such as domain locking, cost to the parties, enforcement of the award, whether the decision would have any precedential value. The aim of this is to create at least in the cochairs' minds, was to create an arbitration system which would look as close as possible to judicial proceeding but would be not before a judge but before an expert arbitrator.

And other than that I don't know if it's worth getting into a in depth discussion of each of the elements of this. And I did have one more thing I wanted to say about this whole process. And we've been at this for three years and this cochair, and I'm sure my other cochair, we're not seeking any sympathy, we

volunteered for this job. I don't think either of us expected this to be as long a process or as politically charged a process it is.

But we have in good faith been trying to balance a number of different considerations and it's been a difficult process, the consideration of trying to preserve a registrant's existing right to a de novo appeal under the national law in a mutual jurisdiction as defined within the UDRP and provide a meaningful appeal process. And also recognizing the validity of the concerns about judicial immunity of IGOs and giving them an opportunity to assert that immunity and succeed on that assertion.

And we've been subject to a lot of criticism from both sides. And that so be it, we're trying to complete this job in good faith and successfully balance as best we can a number of competing and important considerations and there's no perfect formula for doing that. And we hope to produce a final report which is credible, which achieves the best possible balance and then Council will take that report and do with it as it wishes.

But I just wanted to give that just really reemphasize that we've been trying to be sensitive to the rights and concerns of everyone potentially involved in a dispute resolution process involving an international intergovernmental organization and a domain registrant and trying to be as fair to everyone as possible and as sensitive to their legitimate rights as possible. And I'll stop there but as we move toward hopefully the final stage of this working group, I did want to get that on the record. Thank you.

Petter Rindforth: Yes, please.

Brian Beckham: Thank you. Brian Beckham again for the record. I just first of all, thank you, Phil, for the good recap. And it's a big effort that the working group's undertaken here. I just wanted to recall, I had sent a message to – I don't know what to call it, to the Bruce Tonkin facilitated dialogue email list prior to coming to this meeting regarding a separate request that had been made by

IGOs and the GAC was for a very rapid similar to the abuse point of contact – a rapid relief mechanism for IGOs separate from any UDRP or UDRP-like mechanism for taking down a domain name whether there's fraudulent activity that needs to be taken down in a swift one or two-day timeframe.

So I just want to make sure that that doesn't fall off the radar while we're moving ahead with this discussion. I appreciate it might not take place in the context of this working group but wanted to raise it more generally. Thanks.

Phil Corwin: And Phil for the record. Just to quickly respond – and staff had brought that to our attention last week, so we are aware of that. And this is a personal view, we're – at least where this working group is at is not just about providing access with certain modifications to the UDRP but to the URS which is Uniform Rapid Suspension and actually the IGO request in revealing it just referred to rapid protection against abuse of acronyms and of course the URS provides rapid response in disputes involving both IGO names and acronyms so it's actually broader than the specifics of the IGO.

But speaking personally, it hasn't been discussed in the working group, there's no consensus view. My personal view is that the issue of whether Uniform Rapid Suspension is sufficiently rapid for hypothetical cases of abuse for any party in cases where domains may be the base for distributing malware, phishing schemes, phony charities, that type of stuff, is probably an issue that's best addressed later this year in the other working group that I'm cochairing, the one that's reviewing all the rights protection mechanisms and where we expect to be addressing the URS by fall – late fall early winter of this year that the question of the – whether the URS is sufficiently rapid is probably better brought up in that working group than in this working group. Again, that's a personal view. Thank you.

Petter Rindforth: Thanks, Petter here. And just a quick follow up question. I presume that you – because you're all active member of that working group, I presume that that would be sufficient timelines because as – I agree that that topic is something

that I personally see adding a new issue to what we are doing here. And I presume that – I'm not sure if there can be any partly decisions in the other working group dealing with all the dispute resolution mechanisms but at least it seems that it's more neutral to have it there on the discussion. Hopefully not extending the timetable.

Brian Beckham: Yes, thank you. Brian Beckham again for the record. Just to be clear, no, we wouldn't agree that the URS discussion in the separate RPM Working Group is the appropriate context either for this discussion. It may be that it's not for this working group, nor is it for the RPM Working Group. In the GAC submission on the initial report for this working group, this was couched as a procedure to notify – sorry, an emergency relief e.g. 24-48 hours domain name suspension mechanism to combat risk of imminent harm. So that's something that was contemplated as being wholly outside of the URS or the UDRP.

Petter Rindforth: Thanks, Brian. I think and perhaps it's a good practical idea to have it – doing it in a separate group but with a short specific short limited time to make a conclusion. George.

George Kirikos: George Kirikos for the transcript. Yes, just to follow up on the last question. In a real emergency, there is the court system, people can get a temporary injunction or restraining order so there's nothing that prevents an IGO or any other party for that matter with the real emergency from using the court system so it's unclear why ICANN needs to do anything at all. Bye.

Petter Rindforth: Okay, we have two minutes left on this meeting. I don't see any hands up. Can we just go to the slide with the time schedule. We have discussed it. And as said, we're trying to have a final recommendation and solution on this topic before the end of this year. As, I mean, although we love to work with this issue, but we also got inputs from – even from IGOs when we discussed the possibility to add some further time with another external expert. Some IGOs

have stated the importance of actually have a final solution on this problem within a decent time.

So I think it's in all groups of interest that we can come up with something that can be decided on for good or for worse before the end of this year.

Phil Corwin: And, Mary, when is our next meeting? I know we're not meeting next week.

Mary Wong: The working group meets on Thursdays at 1600 UTC so the next meeting will very likely be two Thursdays from now which would make that I believe...

Phil Corwin: It's July 13...

Mary Wong: ...13th of July, yes.

Phil Corwin: All right so for those who want to continue participating in discussions, our next meeting will be at 1600 UTC on Thursday July 13. And likely – we'll likely be using that meeting for an in depth discussion of the cochairs' strawman addressing potential resolution of all the different issues that need to be addressed in an Option 2 arbitration setting. Thank you.

Mary Wong: And this is Mary from staff. So as we're ending this session and recording, there is a meeting that's going to start in this room which is actually also on IGO and INGO issues. It is a meeting of the Implementation Team that has been tasked to develop an implementation plan, excuse me, for those Board – for those policy recommendations that were adopted by the Board in 2014. And the team is being led by one of my colleagues, Dennis Chang, from GDD. It's an open meeting even though it's not on the schedule, so since it's scheduled so conveniently after the Curative Rights group, if you are interested and available, please feel free to stay. Thank you.

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